

Survey Report: NJ Non-Profits Continue to Face Rising Demand, Flat Funding

FOR IMMEDIATE RELEASE

March 13, 2012

**Contact: Linda M. Czipo
732-227-0800**

North Brunswick, NJ – New Jersey non-profits continued to confront rising demand for services and tight funding streams in 2011, and most remained cautious in their outlook for 2012, according to a new report released by the Center for Non-Profits.

These were among the findings of ***New Jersey Non-Profits 2012: Trends and Outlook***, the Center's annual survey of the non-profit community. The survey was conducted online in January 2012 to gauge the experiences, trends and expectations of New Jersey's non-profit groups. The survey tracks prior year funding and expenses, outlook for the coming year and actions taken by non-profits to address trends. Responses submitted by January 31, 2012, from 249 501(c)(3) organizations were included in this year's analysis.

The survey provides further evidence of the lingering effects of the economy on the state's charitable community. For example:

- Nearly three-quarters (73%) of responding organizations reported that demand for services had increased during the past year, and even more (78%) expected demand to continue rising in 2012.
- Thirty-seven percent reported that total funding had declined in 2011, and 40% reported that expenses exceeded support and revenue during the most recently completed fiscal year.
- Thirty-five percent of respondents reported that they had frozen or cut salaries by the time the survey was taken, 26% had cut staff, 18% had implemented some reduction of staff hours, and 17% had reduced employee benefits.
- Despite these cost-cutting measures, 61% expected their total expenses to increase in 2012, but only 39% expected total 2012 funding to increase. By contrast, 39% expected total funding to remain the same as 2011, and 18% anticipated a decrease.

"Non-profits employ 7% of the state's work force, and governments and individuals are turning to them more than ever to provide essential programs and services," commented Linda M. Czipo, executive director of the Center. "When their ability to provide these programs and services is threatened as it has been by the recession, this should concern everyone."

- Along with cost-cutting measures, to address their situations, more than 40% of respondents had launched new fundraising appeals or sought funds from alternative sources, 28% had increased their advocacy efforts, and 33% had recruited additional volunteers.
- Nearly half (47%) reported launching new partnerships or collaborations in 2011, most commonly with other non-profit organizations, although partnerships with government and business were also reported. While only 4% reported having completed a merger, 14% had explored one, 10% said that they might complete one in 2012, and 13% indicated that they might explore one in 2012.

(more)

Although caution was the most common thread in respondents' outlook for the coming year, there were some small signs of encouragement. Compared with the 2011 survey, non-profits were more likely to predict level funding than decreases in every major funding category, and in one – special events revenue – more respondents predicted increased funding over the previous year. However, demand for non-profit services continues to rise while overall funding remains far below pre-recession levels, and respondents' experiences and outlook for 2012 suggest that for many, flat funding will continue to be the norm.

"The situation facing many non-profits is still very serious," noted Czipo. "There may be some reason to hope that the very worst is behind us, but wide-scale improvement is going to take a long time."

The report calls for efforts to strengthen non-profits and for continued government/non-profit/for-profit collaboration to ensure that community and societal needs can be met.

The full report, ***New Jersey Non-Profits 2012: Trends and Outlook***, is available on the Center for Non-Profits web site at www.njnonprofits.org/2012AnnualSurveyRpt.pdf.

Founded in 1982, the Center for Non-Profits is a charitable umbrella organization serving New Jersey's non-profit community. The Center's mission is to build the power of New Jersey's non-profit community by serving as the premier voice and comprehensive resource for and about our sector. Center programs include public education, legal and management assistance, publications, workshops, and member services. For more information, visit the Center's Web site, www.njnonprofits.org, or call (732) 227-0800.

#

Center for Non-Profits

1501 Livingston Avenue
North Brunswick, NJ 08902
732 227 0800 fax: 732 227 0087
web: www.njnonprofits.org
e-mail: center@njnonprofits.org